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SUBJECT: BOSNIA - HIGHREP USES BONN POWERS TO ANNUL RSNA
CONCLUSIONS

REF: SARAJEVO 704 AND PRIOR

Classified By: Ambassador Charles English. Reasons 1.4 (B) and (D)

11. (C/NF) SUMMARY. On June 20, High Representative Valentin Inzko publicly announced his decision to use the Bonn Powers to annul the Republika Srpska's (RS) May 14 Conclusions on the alleged illegal transfer of 68 competencies from the entities to the state. This decision came after almost all of the Peace Implementation Council (PIC) Steering Board Ambassadors expressed support for the move in a June 19 meeting with Inzko and after Inzko made one last failed attempt to reach a solution with RS political leaders in Banja Luka on June 20. Reactions to the HighRep's decision have been negative - but thus far unsurprising - across the board. Bosnian Serbs are denouncing the move as undemocratic and have announced plans for a meeting of Bosnian Serb political leaders over the issue, as well as the possible launching of a so-called "Plan B" (not further specified) in response to the HighRep's decision. Bosniak political leaders are criticizing OHR for not taking punitive action against the RS political leadership for the latter's obstruction of Dayton. These planned activities, along with the Europeans' foot-dragging on whether to use the Bonn Powers in what the HighRep has deemed a clear-cut case of Dayton obstructionism, mean that we will be called upon to exert even greater leadership during yet another difficult period in Bosnian politics. END SUMMARY.

HighRep Annuls RSNA Conclusions

12. (C) On June 20, High Representative Valentin Inzko announced his decision to use the Bonn Powers to annul Republika Srpska (RS) National Assembly's May 14 Conclusions regarding the alleged illegal transfer of 68 competencies by entities to the state-level government, which were widely seen as anti-Dayton. Inzko made the decision following a June 19 meeting of PIC Ambassadors in which all representatives (except the Russian ambassador who firmly disagreed) expressed resounding support for his use of the Bonn Powers. That same day, Inzko sent a letter to PIC Ambassadors explaining his decision, noting that the Conclusions conflicted with the Constitution and the Dayton Peace Accords, and by extension, PIC conclusions over the years. Inzko also said that the EU Heads of Mission had made it clear that the Conclusions are detrimental to the EU agenda. The decision was also made public hours after Inzko traveled to Banja Luka for consultations with RS Prime Minister Milorad Dodik and other RS officials.

Reactions from the Serbs

13. (C) As expected, the Serb political leaders acted negatively to the news of the HighRep's decision. RS Prime Minister Milorad Dodik, whose reactions have been muted, reportedly told the news agency RTRS that the RS will continue to defend its interests and that the RS's position is a correct one. The RS government issued a press release stating that the HighRep's decision was undemocratic and was an attempt to stifle dissent, a refrain that was echoed by several other RS leaders. Similarly, Nejbojsa Radmanovic, the Serb member of the BiH tri-Presidency, deemed the Bonn Powers as being an anachronistic tool for Europe as it allowed a single person to "annul whatever he wants and reach any decision he chooses." Party for Democratic (PDP) President Mladen Ivanic declared that the HighRep's decision solved nothing; RSNA Speaker Igor Radojicic labeled the HighRep's move as negative and unnecessary; Serb Democratic Party (SDS) President Mladen Bosic insisted that in carrying out his decision, the HighRep had not taken into account the political will expressed in the RSNA's conclusions, or in the RSNA itself. The media reported that there will be a meeting of Serb political leaders to discuss the HighRep's decision as early as June 24. It also reported that Dusanka Majkic, head of the SNSD's caucus in the BiH House of Peoples, warned of Serbs employing a "Plan B" in the wake of the HighRep's decision, but that she did not elaborate on the plan's details. The RSNA may discuss the issue in today's session.

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Reactions from Other Political Leaders

14. (C) Reactions from other political leaders have been negative across the board. Party for Democratic Action (SDA) President Sulejman Tihic criticized the HighRep for not taking sanctions against those responsible for the RSNA Conclusions in addition to annulling the Conclusions. He argued that the international community is losing authority by failing to sanction RS political leaders who obstruct the Dayton Peace Accords, and that after OHR closes, the RS will be able to do whatever it wants. The SDA later followed up with a separate statement echoing Tihic's concerns. SDP Party President Zlatko Lagumdzija said the RS's actions underscore the need for constitutional reform, and that OHR should not close before constitutional reform is carried out.

Reactions from the IC

15. (U) Media outlets focused on statements issued by us, along with the UK, and Russia. They noted that the HighRep had our full support and that of the UK, but not Russia, which labeled the use of the Bonn powers to annul the RSNA's conclusions "unacceptable." (Note: We put out a short statement following the announcement of Inzko's decision, saying that he has the authority to address anti-Dayton activity. End Note). They also noted that EU HighRep for Common Foreign and Security Policy Javier Solana had expressed support for HighRep Inzko, while reportedly acknowledging that the decision came from OHR, and was not in the EU's competency.

Comment

16. (C/NF) While we are likely to avoid a full-blown crisis over this action, its execution does come with a cost. Clearly the HighRep has been weakened, not strengthened, and internal divisions of the international community were evident to all. The Europeans (minus the Russians) gave their support reluctantly, despite the fact that the HighRep

had determined the RSNA Conclusions to be a clear, unequivocal obstruction of the Dayton Peace Accords. Notably, Javier Solana was quite unhelpful throughout this episode by refusing to back Inzko until the end. We understand that Hungarian diplomat Zoltan Martynusz, a Director in the European Council's External Affairs Office who was sent to Sarajevo to consult with Inzko, told Inzko that the PIC countries had not lent their support to the HighRep's use of the Bonn Powers. This was just after he had heard exactly the opposite in the June 19 PIC Steering Board Ambassadors Meeting. Martynusz has also been demanding that Inzko show results on 5 2 and the Prud process.

¶7. (C/NF) As a result of this pressure, HighRep Inzko is looking like he has taken a beating. On the evening of June 19, he gave an interview to RTRS in which he looked diminished and angry, and over the weekend he was visibly distracted and unfocused. Inzko also notably described the decision to use the Bonn Powers as a "PIC decision" in the interview with RTRS, in effect, publicly walking back from, and collectivizing, his authority. In addition to these problems with the Europeans, we are waiting to see how the RS will respond. This all suggests that we will have to shore up the Europeans' foot dragging and exercise leadership particularly in areas where the RS is determined to roll back reform, such as by ensuring that the Europeans do not walk back progress on 5 2. We will also have to prop up Inzko, who, as the chief diplomat in Bosnia, can not be left floundering when he is doing his job.

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